

ORDINANCE 2019- 13

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF SUNNYSIDE, WASHINGTON, AMENDING
EXISTING SMC SECTION 7.04.080 BASE UTILITY CHARGES**

WHEREAS, the City of Sunnyside has established an ambulance utility under SMC 7.04.020; and

WHEREAS, a monthly service fee for the operations of the utility shall be established from time to time by ordinance of the City Council in conformity with RCW [35.21.766](#); and

WHEREAS, Section 7.04.080(B) describes how monthly service fees shall be assessed and collected; and

WHEREAS, The City Council desires fair and equitable cost sharing of city services by all residents, households and businesses; and

WHEREAS, the City Council recognizes certain limitations, including rent control, placed on individuals, businesses, property managers, and landlords that provide housing under certain federal programs, including, but not limited to, Section 8 of the Housing Act of 1937 (42 U.S.C. § 1437f) and similar sections of the Housing Act of 1949 (42 U.S. Code § 1485); and

WHEREAS, the U.S. Department of Housing and Urban Development has set policies and guidance on Utility Allowances (24 CFR § 982.517), which potentially enables tenants to be reimbursed for eligible utility services charges.

**NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF THE
CITY OF SUNNYSIDE, WASHINGTON, as follows:**

Section 1. Section 7.04.080 of the Sunnyside Municipal Code is hereby amended to read as follows:

7.04.080 Base utility charges.

A. City Utility Zone Fee Formula. A monthly service fee for the operations of the utility shall be established from time to time by ordinance of the City Council in conformity with RCW [35.21.776](#). The amount of the fee shall be based upon cost of regulating ambulance services and the cost of providing the EMS program as determined by a cost-of-service study done pursuant to RCW [35.21.766](#)(3). Those costs, after deducting transport charges and other fund contributions, shall be divided among Sunnyside residents and other occupants based on a calculation of demand costs and availability costs, consistent with accepted principles of utility rate setting:

1. The rate attributable to availability costs of the utility shall be uniformly applied across all user classifications within the City utility zone.
2. The rate attributable to the demand costs shall be established and billed to each user classification based on each user classification's burden on the utility.
3. The base utility charge shall be collected and enforced in the same manner and with the procedures established for City utilities including, but not limited to, water, sewer and garbage utilities.

B. Base Utility Charge – Rates. The following monthly utility charges shall be assessed and collected:

1. Residential Units. Each residential unit shall be assessed a monthly base utility charge in the amount indicated in the fee schedule in SMC [2.02.020](#)(D).
2. Commercial Businesses and Industries. Each commercial business shall be assessed a monthly base utility charge in the amount indicated in the schedule of fees and charges for each "equivalent residential unit (ERU)" computed as follows: The ERU shall be calculated by dividing the total number of employees employed by such business or industry, up to a maximum of 200 employees, by the number representing the average "household size" of residential and housing units within the City (as published from time to time by the Office of Financial Management of the State of Washington). (Note: For purposes of initial calculation, the household size is 3.6 persons per household according to current OFM calculations. The total number of employees would thus be divided by 3.6, and the resulting number multiplied by the monthly base fee as indicated in the schedule of fees and charges; provided, however, that a church shall not be assessed a base utility charge greater than the minimum monthly base ambulance utility fee.)
3. Hotels/Motels. Each hotel/motel shall be assessed a monthly base utility charge based on the total number of rooms assuming a 1.5 occupancy per room average. The total number of rooms per hotel/motel will be multiplied by 1.5, the average occupancy factor, and then divided by the ERU (3.6). This product will then be multiplied by the annual average of occupied rooms of 48 percent.

4. Assisted Living and Nursing Homes. Any nursing home or rest home which is licensed by the State of Washington or adult family home or assisted living facility shall be billed based upon the number of rooms per facility. Those rooms occupied by residents who are Medicaid eligible shall be exempt from this calculation. The number of residential units shall be based upon the number of residential units authorized for the facility by the governmental agency having jurisdiction over such matters.

5. Adjustment of Base Utility Rate. The base utility rate may be adjusted annually by the City Manager to reflect adjustments or changes in maintenance and operations costs of the ambulance utility; provided, however, that no annual increase shall exceed six percent without prior approval of the City Council. In the event such rate is modified, the City Manager shall post the new rate at the offices of City Hall and the offices of the Sunnyside Fire Department and may distribute or publish such new rate as deemed appropriate to advise the public.

6. Medicaid Adjustment. As provided by this section, the base rate established above shall be adjusted for persons who are Medicaid eligible and who reside in a nursing home, boarding home, adult family home, or receive in-home services. Any customer seeking an exemption from the utility fee must file a written Medicaid exemption application to the Finance Director. Medicaid eligibility will be verified before an exemption is granted.

7. Federally subsidized rental properties. Owners and landlords of properties with multiple rented residential units that are not individually metered and that are subject to rent control under Section 8 of the Housing Act of 1937 (42 U.S.C. § 1437f) or other similar federal housing programs, may request that the City assign, cost-allocate, and disseminate monthly assessments, as authorized by this section, to the tenant leaseholder of each residential unit; provided that:

- a. The owner or landlord making such request shall provide to the Finance Director proof of participation in Section 8 or other similar federal rent controlled housing program(s) for each individual unit the owner or landlord is seeking assignment, cost-allocation, and dissemination of monthly assessment; and
- b. The owner or landlord making such request shall submit and continually update a listing of each federally subsidized tenant leaseholder's name and address to the Finance Director; and

Upon the City's approval of such request, provided no statutory or other prohibitions exist, the tenant leaseholder shall then bear fiscal responsibility for monthly utility assessments as authorized by this section; provided that:

- a. The owner or landlord making such request, as a condition of its business license or occupancy and operational permit, shall assume financial liability for any past due amount, to include late fees, for each delinquent uniquely addressed utility assessment in the event that:

- i. Any tenant leaseholder subject to this request becomes 45 or more days delinquent on any assessed utility fee, as authorized under this section and published in SMC 2.02.020(D); or
 - ii. Any utility fee assessment addressed to the tenant leaseholder is returned marked undeliverable by the U.S. Postal Service.
- b. The City may take enforcement action, to include interruption of City utility services, until such time that any past due amount, to include late fees, for each delinquent utility assessment is paid in full.

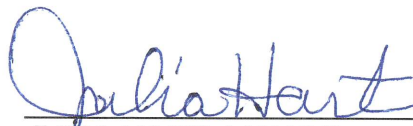
Nothing in this Section shall create a warranty of eligibility for reimbursement in a federally-subsidized housing program or other housing assistance program.

C. Emergency Medical Services and Ambulance Fund. All base utility charge revenues collected pursuant to this chapter shall be deposited by the City into the Emergency Medical Services and Ambulance Fund. Such revenues shall be used solely for the operation, maintenance and capital needs of the ambulance service utility and emergency medical services provided thereby. [Ord. 2015-7 § 1 (Exh. A § 7.16), 2015.]

Section 2. Except as amended herein, Title 7.04 of the Sunnyside Municipal Code shall remain unchanged.

Section 3. This Ordinance shall become effective January 1, 2020, following approval and publication as required by law.

PASSED this 25th day of November, 2019.



JULIA HART, MAYOR

ATTEST:



JACQUELINE RENTERIA, CITY CLERK

APPROVED AS TO FORM:



Kerr Ferguson Law, PLLC
Attorneys for the City of Sunnyside